SHRI S. KRISHNA KUMAR : Madhubani-I : drilled depth : 5,957 metres. Results ; five horizons were tested between 3,375 and 4,945 metres. No hydro-carbon indications were found.

Import of petroleum products from erstwhile Soviet Union

*22. SHRIMATI KAMLA SINHA :† DR. BAPU KALDATE :

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) what is the annual import of petroleum products from the arstwhile Soviet Union;

(b) whether it is a fact that as a result of independence of the former Soviet Republics, the supply of Petroleum products has been suspended;

(c) if so, what is its likely overall impact on the supply of petroleum products indicating the estimated gap between demand and supply as a consequence thereof ;

(d) whether any negotiations have been conducted with the Russian Republic for the resumption of supply of Petroleum products; and

(e) if so, the outcome thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI S. KRISHNA KUMAR) : (a) to (c) The contract with M/s. S.N.E. during 1991 was for the import of 4·5 MMT crude oil, 0·585 MMT SKO and 1·7 MMT HSD. The actual supplies were 3·168 MMT, 0·409 MMT and 1·065 MMT respectively. The shortfalls in the supplies are being met from alternative sources. In terms of the Trade Protocol signed with the Russian Federation, there is a provision for the imort of 4·0 MMT crude oil, 0·6 MMT HSD and 0·5 MMT SKO during 1992.

SHRIMATI KAMLA SINHA : The Minister's reply is inadequate. I would like to know this is a fact that oil import is a big drain on our economy and for the year 1992-93, nearly Rs. 30,000 crores will be needed for oil import only. The Minister reply said that the shortfalls in the supplies are being met from alternate sources. What are these alternate sources ? Previously we know that all the oil imports were done the Soviet Union. Now the Soviet Union has disintegrated. I would like to know from the Minister, with whom the trade protocal was signed. The Minister says "In therms of the trade protocol signed with the Russian Federation, there is a provision for import of 4·0 MMT crude oil, 0·6 MMT HSD and 0·5 MM T SKO during 1992." I would like to know when this protocol was signed and what are the terms of reference ? As far as I know, Russia has refused to supply under Rupee·Rouble transaction. I would like to know whether this trade protocol has been signed through the Rupee-Rouble transaction or the payment would be done through Doller to the Russian Federation.

SHRI S. KRISHNA KUMAR : Sir, the answer to the first part of the question is, yes. Our oil imports are a drain on our foreign exchange resources. But the figures stated by the hon. Member is not correct. It is not Rs. 30,000 crores but it will be Rs. 12,000 to Rs. 14,000 crores of foreign exchange outgo this year for import of about 20 million tonnes of crude and 10 million tonnes of petroleum products.

There is a shortfall of supplies from the erstwhile Soviet Union. The shortfall has already been mentioned in the main answered. It is 1·4 million tonnes of crude, 0·2 million tonnes of kerosene , 0·6 million tonnes of high speed diesel from the erstwhile Soviet Union for the calender year 1991. This shortfall has been met from alternative sources. These alternative sources are through spot buyings. Whenever there is a shortfall which we cannot meet from the term contracts. this shortfall is offeredd for sport purchases for which tenders are floated every month and spot contracts given on competitive terms to whoever gives the best terms for the country.

The trade protocol with the successor State of the USSR, the main successor State, the Russian Federation was signed only on Friday last and the figures of supplies have already been given in the main answer. This is stipulated as Rupee trade. The details will be worked out after exchange of delegations between the two countries.

SHRIMATI KAMLA SINHA : The hon. Minister says that the shortfall in the supplies has been met from the alternative sources. What are the alternative sources ? May I know from the Minister whether the protocol signed with the

†The question was actually asked on the floor of the House by Shrimati Kamla Sinha.

Russian Federation will be adequate to meet our needs ? If not, what are the alternative sources with whom we are going to sign trade protocol and on what terms ?

SHRI S. KRISHNA KUMAR : As I have already stated, whatever shortfall is there, whether it is from the erstwhile USSR or the Russian Federation or any other country, is met from alternative sources in the international market through spot purchases.

As far as the erstwhile Soviet Union is concerned, we have started negotiations with the Republic of Azerbaijan as well as Kazakhstan. The President of Kazakhstan was here only the other day. The supply of oil was also discussed among other things with the dignitary. A delegation headed by my colleague, the Minister of Civil Supplies, Mr. Kamaluddin Ahmed is on the way to the Republic of Azerbaijan to discuss a wide range of issues including oil import from that Republic.

डा० बापू कालदाते : इसमें. आपने यह नहीं बताया कि इस कमी का कारण क्या है ? क्योंकि यह तो सोवियत रिपब्लिक था, अब इन्होंने जिनसे प्रोटोकोल साईन किया है वह गणराज्य हैं। जिस गणराज्य में अजेरबेजान, कजाखस्तान आते नहीं हैं और हमारे पास जो आता है, पहले आता था फेडरेशन से, इसमें यह दो राष्ट्र हैं, यह भी कुछ प्रोडयूस करते हैं। तो हमको पहले तो चाहिए कि कमी का कारण क्या है ? दूसरे, यह रूसी गणराज्य से जो आने वाला है, क्योंकि पहले फेडरेशन था, तो भी आपको 4.5 वाला नहीं मिला। अब रूसी गणराज्य के साथ आपने जो नया किया है जिसमें कोई राज्य हैं नहीं, तो निश्चित रूप से इसका भरोसा आपको किस आधार पर है? तीसरी, जो बहुत इंपोर्टेंट बात है कि बार-बार इस बात का जिक्र किया है कि रुपी पेमेंट का क्या होगा। रुपी और हार्ड करेंसी के बारे में इस प्रोटोकोल में आपने क्या साईन किया है क्या मांग किया है, यह बातें हम जानना चाहते हैं ?

SHRI S. KRISHNA KUMAR: Sir, the reason for the shortfall is obious to everybody including the hon. Mem ber. The reason was the political turmoil in the erstwhile Soviet Union with the result that our supplies have stopped coming from January 1992. The major supplier was the present Russian Federation, a constituent of the erstwhile Soviet Union. Almost the entire quantity has been contracted with the Russian Federation itself. The balance marginal quantities, we will surely be able to contract with the two or three republics I mentioned, Ukraine, Azerbaijan and Kazakhstan. Even if there is a shortfall in supplies from all these republics, there is always the alternative available to us to buy from the international market through spot purchases.

DR. BAPU KALDATE: What about the rupee-rouble percentage?

SHRI S. KRISHNA KUMAR: I have already answered.

DR. BAPU KALDATE: No. You did not answer. Where is the hard currency? What is the relationship? Is it 60:40 or 40:60? What is there in the protocol?

SHRI S. KRISHNA KUMAR: Basically the contract will be on the rupee-rouble system. But the details are to be worked out after the exchange of delegations.

SHRI A.G. KULKARNI: The first point my colleague Dr. Bapu Kaldate raised is, there is shortfall not only in the supplies from Russia, but in the indigenous exploration also. What steps are going to be taken in this regard? Even if you purchase on spot-basis, dollers will have to be taken out. We have no money for that. What are the efforts in that direction? When will it be possible to meet this target? Secondly, when the President of Kazakhastan was here, you have signed some protocol. The main point is whether the rupee-rouble route is going to be again continued or is it not going to be continued? (*Interruptions*). Sir, the Ministers are discussing among themselves.

I am asking my freind Mr. Shankaranand. The rupee-rouble scheme which was in existence up till now, has no stability now because nobody knows whether even this Federation is going to stay or whether there will be further disintegration. So, to be on safer grounds, would you as the Government, please see that indigenous sources are tapped more vigorously instead of purchasing onspot-basis? There also, you have to approach the World Bank and the IMF and again the trouble will start. So, for heaven's sake please tell me what the fact is.

SHRI S. KRISHNA KUMAR : Sir, as regards the first part of the question, it is true that there is a gap between the supply and the demand in petroleum products. We are doing our very best to increase indigenous production which indudes acceleration of the exploratory effort.

As regards the visit of the President of the Kazakhstan Republic, as far as we are aware, no trade protocol has been signed. Only discussions have taken place with the President. The protocol has been signed only with the Russian Federation. The value of oil products—I am sorry, I would like to correct—will be quoted in dollars but payment will be made in rupees as per the exchange rate. This is the practice which was being followed earlier also.

SHRI VIREN J. SHAH: Sir, all the hon. Members have expressed concern about the outgo of foreign exchange. We are not having enough oil because our exploration has not reached the desired level. The hon. Minister also answered just now that all efforts are being made. May I know from the hon. Minister whether the ONGC has made specific proposals even in December 1990 about it? They have written to the Minister about it several months back. They have made several proposals to move in this direction but the Ministry has not taken any decision. Is it a fact that the ONGC has made concreteproposals months back and if so, what action as of today, has been taken by the Government to enable oil generation—hydro carbon procurement—from our own off- shore and on-shore through the ONGC and other sources? What action is being taken on those proposals?

SHRI S. KRISHNA KUMAR : Sir, a large number of mega projects in the Bombay off-shore such as Neelam, mukta and Panna have either already been sanctioned or are already in the process of sanction by the Central Government. When these projects go on strem, there will be an additionality in production. In addition, we have thrown open the filld of exploration to risk capital by Indian and foreign companies and as per the decision of the Government, 72 blocks—33 on-shore and 39 off-shore have been projected for bidding by national and internat ional oil exploration companies. The response is encouraging. The final date for the bid is 15th of April. As a result of the projects on the anvil, as a result of the new exploratory effort and as a result of the in-house exercises being made by the ONGC to enhance the oil recovery from the existing wells, consistent with thethe long-term health of the wells, we are maximising our efforts to increase oil production in this country.

SHRI VIREN J. SHAH: I would like to know whether all the ONGC's proposals are being examined by the Ministry or not. You say yes or no.

SHRI S. KRISHNA KUMAR: The ONGC has made several proposals. I am sure, the hon. Member is referring to the Das Gupta Committee's report. Which alternative is to be selected by the Government is under the examination of the Governm ent. But in the mean-while, it is not necessary that the Government give day-to-day directions to the ONGC. They are technical and professional body, a competent body. They are doing their best to enhance the production.

SHRI VIREN J. SHAH: But the matters are lying with the Ministry for a decision. That is why they can't function. What are you doing about that?

SHRI S. KRISHNA KUMAR: We are examining various alternatives.

SHRI B. SHANKA ANAND: May I make a submission, Sir? The hon. Member is right. He has written to us suggesting many proposals to be examined by us and his suggestions are under consideration.

KUMARI CHANDRIKA PREMJI KENIA: Sir, the oil imports for the year 1990-91 amounted to Rs. 10,500 crores out of the total import bill of Rs. 40,000 crores and as was admitted by the hon. Minister just now, the current year's import bill will amount to Rs. 12,000 crores to Rs. 13,000 crores. Sir, I feel the crucial factor which determines the total foreign exchange outgo will be the demand-management of the petroleum products. The Planning Commission Working Group on Petroleum itself has suggested that there will be a total demand of 62 million tonnes in the current year which will amount to a growth rate of 12 per cent. I would like to know from the hon. Minister what steps or what effective measures the Government will take to curb the demand for the petroleum products.

SHRI S. KRISHNA KUMAR: Sir, demand management of petroleum products is one of the main responsibilities of this Ministry. We have a programme for conservation of petroleum products. Oil Conservation Week was observed only this month. There is a regular programme for oil conservation. In demand management, one silver lining in the cloud is that the demand in 1991-92 has been less than what was predicted earlier. Demand management spreads across oil pricing, allocation, conservtion and so on and we implement this comprehensive programme.

Talks with ULFA

*23. SHRIMATI BIJOYA CHAKRAVARTY: †

SHRI RAJ MOHAN GANDHI:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) what is Government's stand in respect of the ULFA;

†The question was actually asked on floor of the House by Shrimati Bijoya Chakravarty.